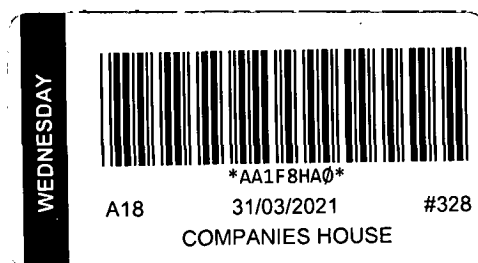


'Registrar'

COMPANY REGISTRATION NUMBER: SC131468
CHARITY REGISTRATION NUMBER: SC030292

Moniack Mhor Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2020



RITSONS
Chartered Accountants
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Moniack Mhor Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2020

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Moniack Mhor Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2020.

Reference and administrative details

Registered charity name Moniack Mhor Limited

Charity registration number SC030292

Company registration number SC131468

Principal office and registered office 36 Huntly Street
Inverness
Scotland
IV3 5PR

The trustees

Mrs N Guthrie
Mr S Lackie
Mrs C Deacon
Mr C J Fraser
Mr A J M Gibbs
Mrs L Mann
Ms J Adams
Mrs A Macleod
Mrs C A Rogerson

Independent examiner Gemma Palombo C.A
Ritsons Chartered Accountants
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Structure, governance and management

The charity is a company limited by guarantee. The charity's objects are that of the operation of a creative writing centre. The company runs a full programme of seminars and courses for writers. The programmes are assisted with grants from Creative Scotland.

New trustees to the board are elected by way of a general majority vote of the serving trustees.

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Moniack Mhor Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Objectives and activities

As Scotland's National Writing Centre, the company's objects are to advance education and the arts, and to foster, develop and promote all forms of writing and literature in English, Gaelic and Scots to the diverse public of Scotland and those from further afield by:-

- providing high quality residential and non-residential courses in a variety of writing disciplines tutored by well-established writers and practitioners;
- maintaining the physical presence of a fit-for-all purpose residential facility at Moniack Mhor Limited in the Scottish Highlands;
- offering a wide range of public workshops, tutorials, readings and other activities as appropriate;
- offering a wide range of opportunities aimed specifically at young people;
- increasing participation from individuals from vulnerable and hard to reach groups;
- promoting the diversity of Scottish Literature in all its forms;
- working closely with partner organisations to share expertise, provide a full range of facilities and to further encourage the development of literature in Scotland;
- assisting, by the provision of expertise, finance or other mechanisms, individuals, groups or organisations engaged in activities which are deemed to be within the objects of the company;
- procuring and providing information and advice through publications, events, etc, and assisting others in doing so; and
- undertaking any other such activities that are deemed relevant and appropriate by the directors in order to further the company's objects.

Achievements and performance

Moniack Mhor is in its second year of Regular Funding from its main stakeholder, Creative Scotland. In 2019, the key achievements were delivering an open programme of writer development including the following week-long residential courses: Poetry with Ron Butlin, Brian McCabe and Miriam Gamble; Crime Writing with Allan Guthrie, Stuart MacBride and Dave Barclay; Fiction with Nadifa Mohamed, Alex Wheatle and Michel Faber; Fiction/Non Fiction Tutored Retreat with Kapka Kassabova, Malachy Tallack and Cal Flyn; Songwriting with Kathryn Williams, Colin MacIntyre and Kathryn Joseph; Fiction (Novel) with James Robertson, Cynthia Rogerson and Helen Oyeyemi; Poetry Masterclass with Carol Ann Duffy, Michael Woods and Imtiaz Dharker; Writing for Young Adults with Jenny Valentine, Keith Gray and Lindsey Fraser; Historical Fiction with Jane Harris, Justin Hill and Victoria Whitworth; Editing with Francesca Main and Nathan Filer; Fiction Tutored Retreat with Janice Galloway, Kerry Hudson and Judy Moir; Writing in the Environment with Rob Cowen, Linda Cracknell and Tim Dee; Picture Books with James Mayhew, Sarah MacIntyre and Pam Smy; Performance Poetry with Caroline Bird, Ross Sutherland and John Hegley; Screen Writing with Hugh Stoddart, Line Langebek and Andrea Gibb; Short Story with Cynan Jones, Nuala O'Connor and Bernard MacLaverty; Playwriting with Simon Stephen, Chris Thorpe and David Greig; Memoir with Cathy Rentzenbrink, Nina Stibbe and Sheila Hancock; and a Crime Writing Tutored Retreat with Karen Campbell, Adam LeBor and Louise Welsh.

Moniack Mhor Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

We had a very strong uptake of our open programme and our year-end occupancy stood at 92% (342 participants), well above our 82% overall target for the year. This also showed an encouraging upturn on last year's year-end overall occupancy/uptake (72%, 367 participants), which was affected by record tutor cancellations. Our two Day courses also filled well with an occupancy of 89% against our 80% target.

Tutored weeks listed above were interspersed with retreat weeks which ran at 100% occupancy.

Moniack Mhor delivered its first tutored Fiction short course with childcare, a pilot for an expansion of our programme aimed to further remove access barriers. The course was led by Ross Raisin and Naomi Wood who also brought their children with them. Alongside writers, we also welcomed their 11 children ranging from a baby to a 12-year-old who were provided with childcare at the Abriachan Forest Trust. This ground-breaking course, was a huge success with fantastic feedback from all participants (tutors, adults and children), including about the childcare offered at Abriachan Forest Trust (AFT) during the day, and also at Moniack Mhor in the late afternoons/ evenings. There is clearly a demand for this type of course and every effort will be made to embed this offering into our programme going forward.

We had full uptake of our bursary scheme during 2019, with £9,997.50 supporting 47 participants to come on courses or retreats, including eight teacher's grants of £100 each. Most of the other awards were for reasons of low income. Bursary feedback reports from participants were exceptionally positive, and it remains an important aim for us to strive to remove barriers and increase access to creative writing as much as we can. In 2019, we began development work on a new strand, the A9 Bursary fund, supported with a donation of £2,500 from two writers that provide tutoring services. This grant is targeted to support women writers over 18 who identify as from a BAME background, as LGBTQ or as working class.

Partnership weeks delivered in collaboration with other Scottish literature organisations included the Scottish Book Trust who brought their New Writers Award Winners alongside their Next Chapter Award winner for a retreat week. These weeks were followed with a visit from the young writers they support through the What's Your Story? Programme. The centre was also joined by Manchester Metropolitan University, Society of Authors in Scotland and the Pushkin Prize Winners. We also saw the return of Dark Angels (Writing and Business) and a first visit by Hamish Napier's songwriting week, focusing on folk composition and arrangement. We were visited by Carol Ann Duffy and friends for a retreat week in January.

Our Gaelic Programme culminated with a Gaelic immersion Poetry course led by Peter Mackay and David Eyre. Despite this being a small group, the feedback was exceptionally good. Feedback from the broader programme, over the previous year and the current one, demonstrated that the opportunity to work in an immersive Gaelic environment without having to revert to English is rare.

We facilitated The Emerging Writer Award, supporting Fiction writer, Hannah Kelly, with retreat time and mentoring; and the Jessie Kesson Fellowship was awarded to poet, Ken Cockburn. The organisation also ran a Travel Writing and Writing for Children Award which enabled two emerging writers to access a free week of tuition. We delivered a new award in 2019, the Two Roads Award, which was generously donated by Lisa Highton to support two working-class writers.

The youth programme saw nine sessions of the Writing Cafe delivered in Waterstones Inverness. Outreach workshops were delivered in Glenurquhart High School and at the Abriachan Forest Trust, supported by Pupil Equity Funding and taught by poet, John Glenday.

Our Creative and Active Lives programme for young care experienced people in Scotland supported 88 young people through one-to-one mentoring and residential courses in songwriting, poetry, playwriting, prose and photography. We also delivered outreach workshops led by Jenny Lindsay in Edinburgh in partnership with the Scottish Poetry Library. Two school groups were supported, one at Dingwall Academy and one at Culloden Academy, by working on outputs to share with the wider

Moniack Mhor Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

school community to raise awareness, increase understanding and remove the stigma that at times exists around young people living in care. A cohort of young people were also taken on a trip to Edinburgh to see Boo Hewerdine (tutor) and Eddi Reader in concert.

The organisation facilitated the annual Highland Book Prize which was awarded to Andrew Miller for his novel *Now We Shall Be Entirely Free*, published by Sceptre. An event was held on 11th May 2019 at the Ullapool Book Festival to celebrate the 2018 shortlist and winning title. The prize is presented and funded by the Highland Society of London and 2019 saw the creation of a one-day-per-week role attached to this project, the Highland Book Prize Coordinator. Later in the year, the 2019 Highland Book Prize opened, attracting over 90 eligible entries by publishers. We engaged a volunteer reading panel of over 100 individuals comprised of tutors, teachers, industry professionals, Moniack Mhor participants and avid readers.

Throughout the year, we delivered monthly writers' club sessions, attended by local writers and led by tutor and novelist, Cynthia Rogerson.

Our Centre Director gained funding to join a cohort of 8 delegates funded by Creative Scotland to attend a research trip to the Birmingham Hub, a co-working space for parents/artists and families. The aim was to look at flexible models of childcare with a view to provision of support opportunities across all artforms going forward. Delegates met again in Glasgow to continue the research by public consultation with the wider arts sector in Scotland and going forward, learning should contribute to where Creative Scotland fit in supporting childcare for artists, sharing best practice and collaborative delivery models.

During 2019, we continued to run our Friends Scheme, attracting 95 members at the end of the year. As always, we committed to overseeing the roll-out of our environmental policy and we continued to monitor our carbon output in line with Creative Carbon Scotland's reporting systems.

Minor physical improvements were made to the main house and cottage at Moniack Mhor and a new purpose-built wood store was constructed. The Moniack Mhor Constitution was rewritten in this year and updated Articles of Association were approved by OSCR in November.

Financial review

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

During the year the charity made a surplus of £27,036 (2019 - deficit £243). The amount in unrestricted reserves at 31 March 2020 was £175,606 (2019 - £151,025) and restricted reserves amounted to £69,611 (2019 - £67,156).

The assets of the charity are held within restricted and unrestricted reserves. The unrestricted fund represents the accumulation of previous operating results.

The trustees have assessed that these assets are sufficient to meet the charity's ongoing obligations, and in the event of a significant drop in funding, they will be able to continue the charity's current activities whilst consideration is given to ways in which additional funds may be raised.

Moniack Mhor Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Reserves Policy

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its' charitable objectives for the foreseeable future. Reserves are required to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The level of free reserves will be monitored regularly by the trustees to ensure there is sufficient cashflow to meet operational costs. Note 25 shows the analysis of net assets between funds. The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

The assets of the charity are held within restricted and unrestricted reserves. The unrestricted fund represents the accumulation of previous operating results.

The trustees have assessed that these assets are sufficient to meet the charity's ongoing obligations, and in the event of a significant drop in funding, they will be able to continue the charity's current activities whilst consideration is given to ways in which additional funds may be raised.

Plans for future periods

Plans for future periods in 2020 - 21 is to continue to deliver our open programme of tutored courses, retreats and awards. Awards and Residencies will also be facilitated and the organisation will begin to transition to an altered business model of delivering professional residencies at either end of the year alongside our courses for aspiring writers. Moniack Mhor will aim to strengthen its support mechanisms for published writers, recognising that there are many challenges at this stage in terms of earning a living.

We will continue to deliver our mission statement, 'Moniack Mhor will create opportunities for people of all ages, abilities and all walks of life to participate in creative writing activity at all levels, providing space, inspiration and tuition from leading writers' and offer a bursary scheme to those who may experience a financial barrier to accessing our support. Due to the success of our short course with childcare, we will offer a weeklong retreat with childcare in partnership with Abriachan Forest Trust during this period with an aim to enhance access further.

The Creative and Active Lives programme will move into its final year, offering residential and outreach opportunities to care experienced young people in Scotland. Our Gaelic programme will continue with two workshops and we will seek to secure funding to expand our offer to fluent speakers and learners. Moniack Mhor will continue to facilitate The Highland Book Prize, celebrating books that relate to the Highlands.

Covid 19

Moniack Mhor Writers' Centre has been closed for group courses and retreats since March 2020. The centre has adapted to the challenging environment of the pandemic by safeguarding the security of the businesses by making four redundancies within the staff team. Limited on-site activity has been possible but private retreats have been delivered late in the summer and through to the autumn 2020. It has been possible to deliver two projects for care experienced young people, supported by our ongoing Life Changes Trust funding.

Online models of teaching have been developed in the form of 'Moniack in a Month', a course that is designed to emulate the components of the residential week via an online platform, including weekly two hour workshops, one to one tutorials, a google classroom stream to encourage peer interaction and a closing ceilidh in which participants can share their work. The centre has also offered workshops and talks on the craft of writing by zoom, these have been well attended and enabled the organisation to remain connected at a time when many are feeling isolated. 'Made to Measure Mentoring' is providing online one-to-one support to writers to develop their works in progress. Overall,

Moniack Mhor Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

the organisation has been through seismic changes in terms of its programme and infrastructure. The company was awarded a Third Sector Resilience Fund grant in April 2021 to pay for key centre staff and ongoing overheads, allowing the centre to continue to operate. It's also been in receipt of two small business grants from the Highland Council totalling £20,000.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 29 March 2021 and signed on behalf of the board of trustees by:



Mr C J Fraser
Trustee

Moniack Mhor Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Moniack Mhor Limited

Year ended 31 March 2020

I report to the trustees on my examination of the financial statements of Moniack Mhor Limited ('the charity') for the year ended 31 March 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 44(1)(c) of the 2005 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent examiner's statement - matter of concern identified

Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of ICAS which is one of the listed bodies.

I confirm that no other matters have come to my attention in connection with my examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act, section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; or
2. the financial statements do not accord with those records or with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Moniack Mhor Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Moniack Mhor Limited *(continued)*

Year ended 31 March 2020

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Other matters

To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charities' trustees as a body, for our work, for this report, or for the opinions I have formed.



Gemma Palombo C.A
Independent Examiner

Ritsons Chartered Accountants
Forbes House
36 Huntly Street
Inverness
IV3 5PR

29 March 2021

Moniack Mhor Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	140,458	49,310	189,768	186,926
Charitable activities	6	235,446	–	235,446	–
Other trading activities	7	–	–	–	208,446
Investment income	8	4	–	4	53
Total income		<u>375,908</u>	<u>49,310</u>	<u>425,218</u>	<u>395,425</u>
Expenditure					
Expenditure on charitable activities	9,10	349,243	48,732	397,975	395,310
Other expenditure	11	207	–	207	358
Total expenditure		<u>349,450</u>	<u>48,732</u>	<u>398,182</u>	<u>395,668</u>
Net income/(expenditure)		<u>26,458</u>	<u>578</u>	<u>27,036</u>	<u>(243)</u>
Transfers between funds		(1,877)	1,877	–	–
Net movement in funds		<u>24,581</u>	<u>2,455</u>	<u>27,036</u>	<u>(243)</u>
Reconciliation of funds					
Total funds brought forward		151,025	67,156	218,181	218,424
Total funds carried forward		<u>175,606</u>	<u>69,611</u>	<u>245,217</u>	<u>218,181</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 11 to 23 form part of these financial statements.

Moniack Mhor Limited
Company Limited by Guarantee
Statement of Financial Position

31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	17	221,892	224,599
Current assets			
Debtors	18	4,207	4,035
Cash at bank and in hand		97,206	84,488
		<u>101,413</u>	<u>88,523</u>
Creditors: amounts falling due within one year	19	<u>74,824</u>	<u>93,923</u>
Net current assets		<u>26,589</u>	<u>(5,400)</u>
Total assets less current liabilities		<u>248,481</u>	<u>219,199</u>
Creditors: amounts falling due after more than one year	20	<u>3,264</u>	<u>1,018</u>
Net assets		<u><u>245,217</u></u>	<u><u>218,181</u></u>
Funds of the charity			
Restricted funds		69,611	67,156
Unrestricted funds		175,606	151,025
Total charity funds	24	<u><u>245,217</u></u>	<u><u>218,181</u></u>

For the year ending 31 March 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on **29 March 2021**, and are signed on behalf of the board by:



Mr C J Fraser
Trustee

The notes on pages 11 to 23 form part of these financial statements.

Moniack Mhor Limited
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 March 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 36 Huntly Street, Inverness, Scotland, IV3 5PR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future due to secured funding from Creative Scotland for £135,000. The Directors will therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Fixtures, fittings and equipment	- 15% reducing balance
Motor vehicles	- 25% straight line
Plant and machinery	- 15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Moniack Mhor Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	5,401	—	5,401
Grants			
Creative Scotland	135,057	3,750	138,807
The Bridge Awards	—	—	—
Bòrd na Gàidhlig	—	1,000	1,000
Highland Society of London	—	—	—
Life Changes Trust	—	44,560	44,560
	<u>140,458</u>	<u>49,310</u>	<u>189,768</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	2,108	—	2,108
Grants			
Creative Scotland	135,518	—	135,518
The Bridge Awards	—	4,250	4,250
Bòrd na Gàidhlig	—	1,000	1,000
Highland Society of London	—	3,700	3,700
Life Changes Trust	—	40,350	40,350
	<u>137,626</u>	<u>49,300</u>	<u>186,926</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Course fees	221,649	221,649	—	—
Shop income	3,277	3,277	—	—
The Bridge Awards	2,500	2,500	—	—
Friends Scheme	4,920	4,920	—	—
Highland Book Prize	3,100	3,100	—	—
	<u>235,446</u>	<u>235,446</u>	<u>—</u>	<u>—</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Course fees	—	—	201,536	201,536
Book shop income	—	—	3,030	3,030
Friends Scheme	—	—	3,880	3,880
	<u>—</u>	<u>—</u>	<u>208,446</u>	<u>208,446</u>

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2020

8. Investment income

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Bank interest	<u>4</u>	<u>4</u>	<u>53</u>	<u>53</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Running and maintenance costs	226,608	29,498	256,106
Provision of material and tuition	122,635	19,234	141,869
	<u>349,243</u>	<u>48,732</u>	<u>397,975</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Running and maintenance costs	215,812	33,565	249,378
Provision of material and tuition	116,576	29,357	145,932
	<u>332,388</u>	<u>62,922</u>	<u>395,310</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds 2020	Total fund 2019
	£	£	£
Running and maintenance costs	256,108	256,108	249,378
Provision of material and tuition	141,867	141,867	145,932
	<u>397,975</u>	<u>397,975</u>	<u>395,310</u>

11. Other expenditure

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	<u>207</u>	<u>207</u>	<u>358</u>	<u>358</u>

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	8,693	8,709
Loss on disposal of tangible fixed assets	<u>207</u>	<u>358</u>

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

13. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	3,913	3,440
Other financial services	1,306	1,160
	<u>5,219</u>	<u>4,600</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	158,125	147,146
Social security costs	7,451	7,233
Employer contributions to pension plans	5,784	2,376
	<u>171,360</u>	<u>156,755</u>

The average head count of employees during the year was 10 (2019: 8). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of staff	<u>9</u>	<u>8</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £24,370 (2019: £27,450).

15. Trustee remuneration and expenses

During the year one trustee received an amount of £85 (2019 - one trustee £210) for casual relief work.

During the year two trustees were paid a total of £3,705 for tutor fees (2019 - two trustees £2,575), one trustee was reimbursed £22 for tutor expenses (2019 - two trustees £146) and one trustee was reimbursed £177 for travel expenses (2019 - one trustee £346).

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

16. Transfers between funds

An amount of £200 (2019 - £200) was transferred from Moniack Trust to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £nil (2019 - £136) was transferred from unrestricted funds to the Moniack Trust to amend an expense allocation to this fund in the previous year.

An amount of £918 (2019 - £918) was transferred from the Roundhouse Project to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £453 (2019 - £466) was transferred from the Garden Project to unrestricted funds to cover the depreciation charge on assets purchased from this fund.

An amount of £nil (2019 - £142) was transferred from unrestricted funds to The Bridge Awards to cover the deficit in the fund at the year end date.

An amount of £nil (2019 - £1) was transferred from the Bridge Awards to cover the deficit in the fund at the year end date.

An amount of £nil (2019 - £372) was transferred from unrestricted funds to The Bridge Awards to cover the deficit in the fund at the year end date.

An amount of £1,545 (2019 - £nil) was transferred from unrestricted funds to the Bòrd na Gàidhlig fund to cover the deficit in the fund at the year end date.

An amount of £1,904 (2019 - £1,384) was transferred from unrestricted funds to the Creative and Active Lives Project to cover the deficit in the fund at the year end date.

17. Tangible fixed assets

	Freehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Plant & machinery £	Total £
Cost					
At 1 April 2019	232,144	69,502	4,000	4,415	310,061
Additions	2,330	3,863	—	—	6,193
Disposals	—	(804)	—	—	(804)
At 31 March 2020	234,474	72,561	4,000	4,415	315,450
Depreciation					
At 1 April 2019	30,583	46,971	4,000	3,908	85,462
Charge for the year	4,689	3,928	—	76	8,693
Disposals	—	(597)	—	—	(597)
At 31 March 2020	35,272	50,302	4,000	3,984	93,558
Carrying amount					
At 31 March 2020	199,202	22,259	—	431	221,892
At 31 March 2019	201,561	22,531	—	507	224,599

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

17. Tangible fixed assets *(continued)*

Finance leases and hire purchase contracts

Included within the carrying value of tangible fixed assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Fixtures, fittings & equipment £
At 31 March 2020	<u>3,887</u>
At 31 March 2019	<u>1,159</u>

18. Debtors

	2020 £	2019 £
Trade debtors	–	595
Prepayments and accrued income	4,207	2,440
Other debtors	–	1,000
	<u>4,207</u>	<u>4,035</u>

19. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	2,740	7,577
Accruals and deferred income	68,095	83,552
Social security and other taxes	1,989	2,101
Obligations under finance leases and hire purchase contracts	856	187
Other creditors	1,144	506
	<u>74,824</u>	<u>93,923</u>

20. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Obligations under finance leases and hire purchase contracts	<u>3,264</u>	<u>1,018</u>

21. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2020 £	2019 £
Not later than 1 year	856	187
Later than 1 year and not later than 5 years	3,264	1,018
	<u>4,120</u>	<u>1,205</u>

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

22. Deferred income

	2020	2019
	£	£
At 1 April 2019	79,132	73,169
Amount released to income	(79,132)	(73,169)
Amount deferred in year	63,230	79,132
At 31 March 2020	63,230	79,132

Deferred income comprises income from course fees received during the year for courses to be held in the following year.

23. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,784 (2019: £2,376).

24. Analysis of charitable funds

Unrestricted funds

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
General funds	<u>151,025</u>	<u>375,908</u>	<u>(349,450)</u>	<u>(1,877)</u>	<u>175,606</u>

	At 1 April 2018	Income	Expenditure	Transfers	At 31 March 2019
	£	£	£	£	£
General funds	<u>138,297</u>	<u>346,124</u>	<u>(332,746)</u>	<u>(650)</u>	<u>151,025</u>

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

24. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 20 20 £
Moniack Trust	8,800	—	—	(200)	8,600
Fixed Asset Fund - Roundhouse	40,298	—	—	(918)	39,380
Garden Project	17,335	—	—	(453)	16,881
The Bridge Awards	—	—	—	—	—
Bòrd na Gàidhlig	723	—	(2,268)	1,545	—
The British Council	—	—	—	—	—
Highland Society of London	—	—	—	—	—
Life Changes Trust	—	44,560	(46,464)	1,904	—
Creative Scotland	—	3,750	—	—	3,750
Bòrd na Gàidhlig - Day Workshops	—	1,000	—	—	1,000
	<u>67,156</u>	<u>49,310</u>	<u>(48,732)</u>	<u>1,877</u>	<u>69,611</u>

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 20 19 £
Moniack Trust	8,664	—	—	136	8,800
Fixed Asset Fund - Roundhouse	41,216	—	—	(918)	40,298
Garden Project	17,801	—	—	(466)	17,335
The Bridge Awards	—	4,250	(4,392)	142	—
Bòrd na Gàidhlig	9,000	1,000	(9,277)	—	723
The British Council	3,000	—	(3,001)	1	—
Highland Society of London	446	3,700	(4,518)	372	—
Life Changes Trust	—	40,350	(41,734)	1,384	—
Creative Scotland	—	—	—	—	—
Bòrd na Gàidhlig - Day Workshops	—	—	—	—	—
	<u>80,127</u>	<u>49,300</u>	<u>(62,922)</u>	<u>651</u>	<u>67,156</u>

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

24. Analysis of charitable funds *(continued)*

Fixed Asset Fund The Strawbale Studio (Roundhouse)

A timber framed, straw bale multi-purpose studio which included training volunteers to build with green timber and other sustainable materials during the construction phase.

Garden Project

Development of a community garden in the grounds surrounding Moniack Mhor. The project included the construction of a dry stone storytelling circle, benches, a pond, planting of trees and native species of plants and building a network of paths to make the grounds accessible.

The Bridge Awards

An award for an emerging writer which includes a tailor made package of writing activity including courses, retreats and mentoring.

Bòrd na Gàidhlig

A programme of Gaelic language activity which will support fluent speakers and Gaelic learners.

The British Council

A programme to support an international residency in the UK between March 2018 and April 2019, inspired by the writings of Muriel Spark.

Highland Society of London

An award for administration of the Highland Book Prize.

Life Changes Trust

An award towards developing the Creative and Active Lives Project which focusses on supporting improvements in the lives of care experienced young people aged 14-26 years old.

Creative Scotland

An award towards the cost of allowing a translator to visit Scotland and immerse themselves in Scottish literature, then through a managed programme of meetings and showcases, be exposed to contemporary Scottish writers that they can pitch to international publishers for rights buying and translation.

Bòrd na Gàidhlig

A Gaelic Programme award to hold day workshops during 2020.

Moniack Mhor Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	157,031	64,861	221,892
Current assets	96,663	4,750	101,413
Creditors less than 1 year	(74,824)	—	(74,824)
Creditors greater than 1 year	(3,264)	—	(3,264)
Net assets	<u>175,606</u>	<u>69,611</u>	<u>245,217</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	158,166	66,433	224,599
Current assets	87,800	723	88,523
Creditors less than 1 year	(93,923)	—	(93,923)
Creditors greater than 1 year	(1,018)	—	(1,018)
Net assets	<u>151,025</u>	<u>67,156</u>	<u>218,181</u>

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	—	1,594
Later than 1 year and not later than 5 years	—	398
	<u>—</u>	<u>1,992</u>

27. Related parties

The trustees neither received nor waived any emoluments during the year.